



# ***Enhancing Customer Relations***

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***Presented By:***

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- **Customer Relations Overview**
- **Customer Satisfaction**  
*Influence*  
*Measurement*
- **Recent Initiatives to Promote Customer Satisfaction**  
*Outcome Focus*  
*Quad Charts*  
*PI/PST Functional Maturity Model*

- ***Vision***

- ***DCMA People Teaming to Provide World Class Contract Management Services***

- ***Mission***

- ▮ ***Provide Customer Focused Contract Management Services, Throughout the Acquisition Life Cycle-Around the Clock, Around the World.***

- ***Goals***

- ▮ ***Deliver Great Customer Service***
- ▮ ***Lead the Way to Efficient and Effective Business Processes***
- ▮ ***Enable DCMA People to Excel***

# Customer Relations Overview

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- ✓ **Service & Product Delivery**
    - ✓ **Performance Measurement**
  - ✓ **Customer Input & Feedback**
    - ✓ **Process Refinement**
    - ✓ **Performance Measurement**
  - ✓ **Customer Follow -Up**
  - ✓ **Customer Satisfaction**

# Customer Feedback

## Network

### *Operational Level*

### *Policy-Making Level*

- CAOs & Districts
  - Management Councils **PLUS**
- Customer Liaisons
- Program Integrators

- Senior Leadership Forum
- Outreach Activities
  - SAEs/OSD/PEOs
  - Industry Associations

### *Measurement*

- USAs
- Common Metrics
- Customer Visits
- Customer Satisfaction Surveys

**PROCESS IMPROVEMENT & CUSTOMER SATISFACTION**

# Covering the Waterfront

**703 Customer  
Activities**



**OSD/SAEs  
PEOs  
Buying Activities  
ICPs  
ALCs**

**321K Contracts  
\$93B ULO**



# Influencing Customer Satisfaction

- **Customer Liaisons**
  - **Customer Visits** ✓ OSD, SAEs
    - ✓ PEOs
    - ✓ Buying Activities
- **PI & Program Support Teams**



**Board of Directors' Meetings!**

# Relationship Building Visits

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**DCMC Workload: \$93B ULO**

- ✓ **21 Largest Customers (\$83B ULO) Liaisons**
- ✓ **19 Next Largest (\$7B ULO) Lead District (\$100M to \$2B)**
- ✓ **Balance of Customers**
  - **Real Time CAO Interface**
  - **Satisfaction Surveys & Postcard Trailers**



# Measuring Customer Satisfaction

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## Telephone Surveys

### ▮ Postcard Trailers

### ▮ Common Metrics

# Measuring Customer Satisfaction

## Customer Satisfaction Survey

### ➤ Customer Base

- 150 ACAT I & II Programs
  - PM & PCO
- 800 ACAT III Programs
  - 1/5 Annually
- ICPs
  - PCOs & Inventory Managers

325 Surveys

200 Surveys

75 Surveys

### ACAT Program

I --- 82

II --- 64

III --- 804

**600 Surveys per Year -- 1/2 East -- 1/2 West**

# Measuring Customer Satisfaction

## Customer Satisfaction Survey - Instrument -

- 5 Questions: Right Item

Time

Price

Advice

&

Overall Satisfaction

- Peel Back Question if Rating of 4 or Less

- - Likert Scale -



**Goal - 90% of Responses 5 or 6!**

**DLA Performance Contract and DCMC Performance Plan**

# **FY99 Year End Analyses - Pricing**

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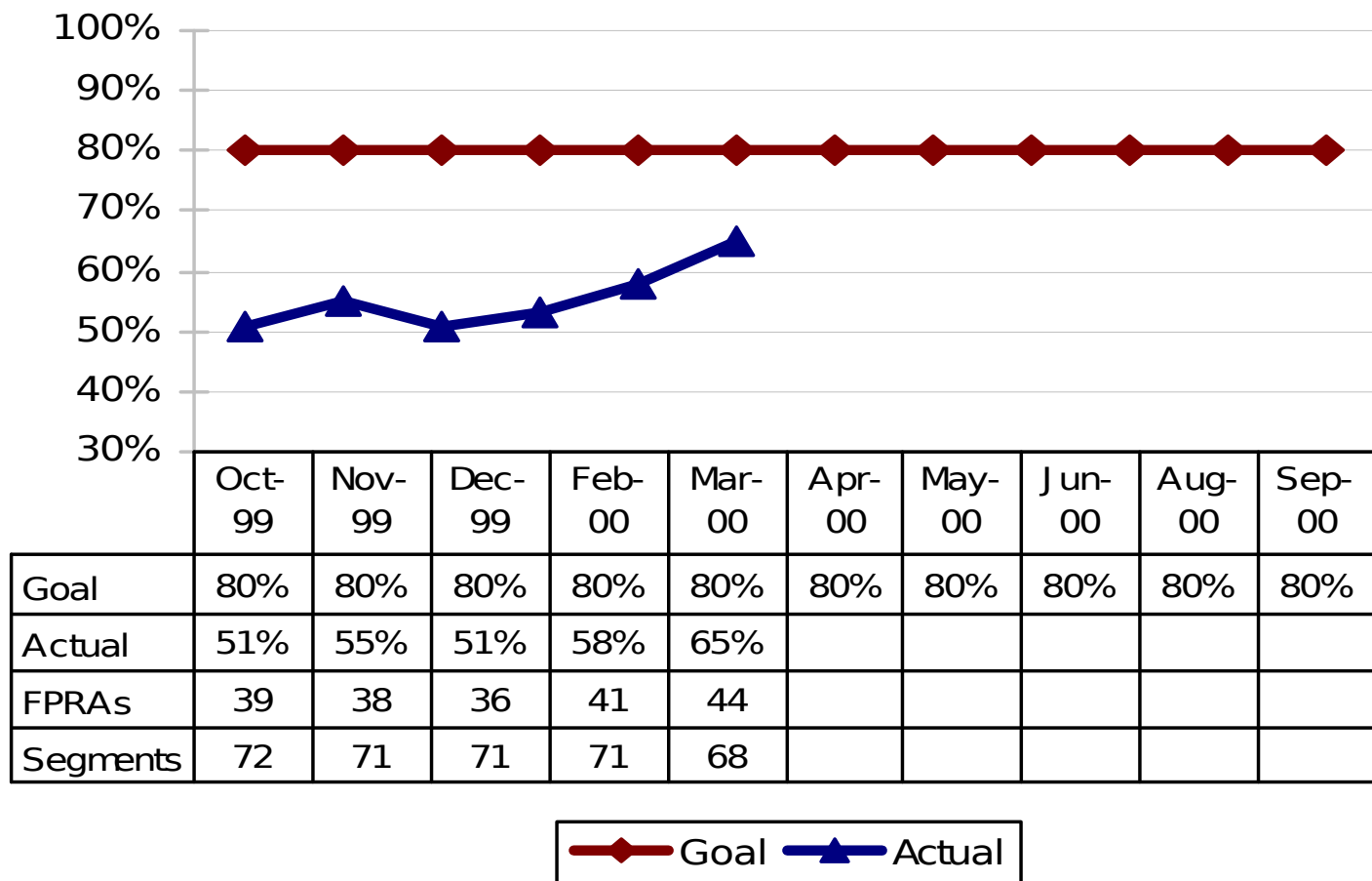
- Key Issues:**
- Access & frequency of communication
  - Timeliness of actions, information & response
  - FPRAs & FRRs
  - Staffing

**Key Satisfaction Driver:     IPS Pricing Support**

# Forward Pricing Rates

## Contractor Segments with FPRAs

**Segments with FPRAs = 44/ Total # Segments = 68**





## **Longbow Apache**

- **Multi-year Fire Control Radar, value close to \$1B**
- **\$60M cost savings (unit price reduced \$5.3M from Lot 1 production)**

## **Improved Cargo Helicopter**

- **8 pre-EMD contracts valued over \$19M**
- **Negotiated in 2 months (40% cycle time reduction)**



## **AN/BSY-2 Sub Combat Control System**

- **ECP negotiated in 4 months - last ECP took 3 years to negotiate - 90% cycle time reduction**
- **Estimated savings - \$1.2M**

## **F/A-18 E/F Super Hornet**

- **LRIP II/III, value close to \$4B for 50 planes plus support equipment**
- **\$600M savings**
- **Negotiated in 11 months less than**







## **AN/APG-68 Fire Control Radar for F-16**

- \$3M saved on in-country depot level maintenance capability for the Korean Fighter Program
- FY98/Bahrain Production Lot negotiated in 3 months

## **RC/KC-135R Engines for Air Refueling Tankers**

- Engine installation kits, value \$70M
- Saved Boeing 23% proposal prep cost, 40% procurement





# Program Integration & Risk Management With an *Outcome*

## *Focus*

ACOs, CAs, IS, PAs, PLCOs,  
Engineers, Price/Cost Analysts,  
QARs

**Contract**

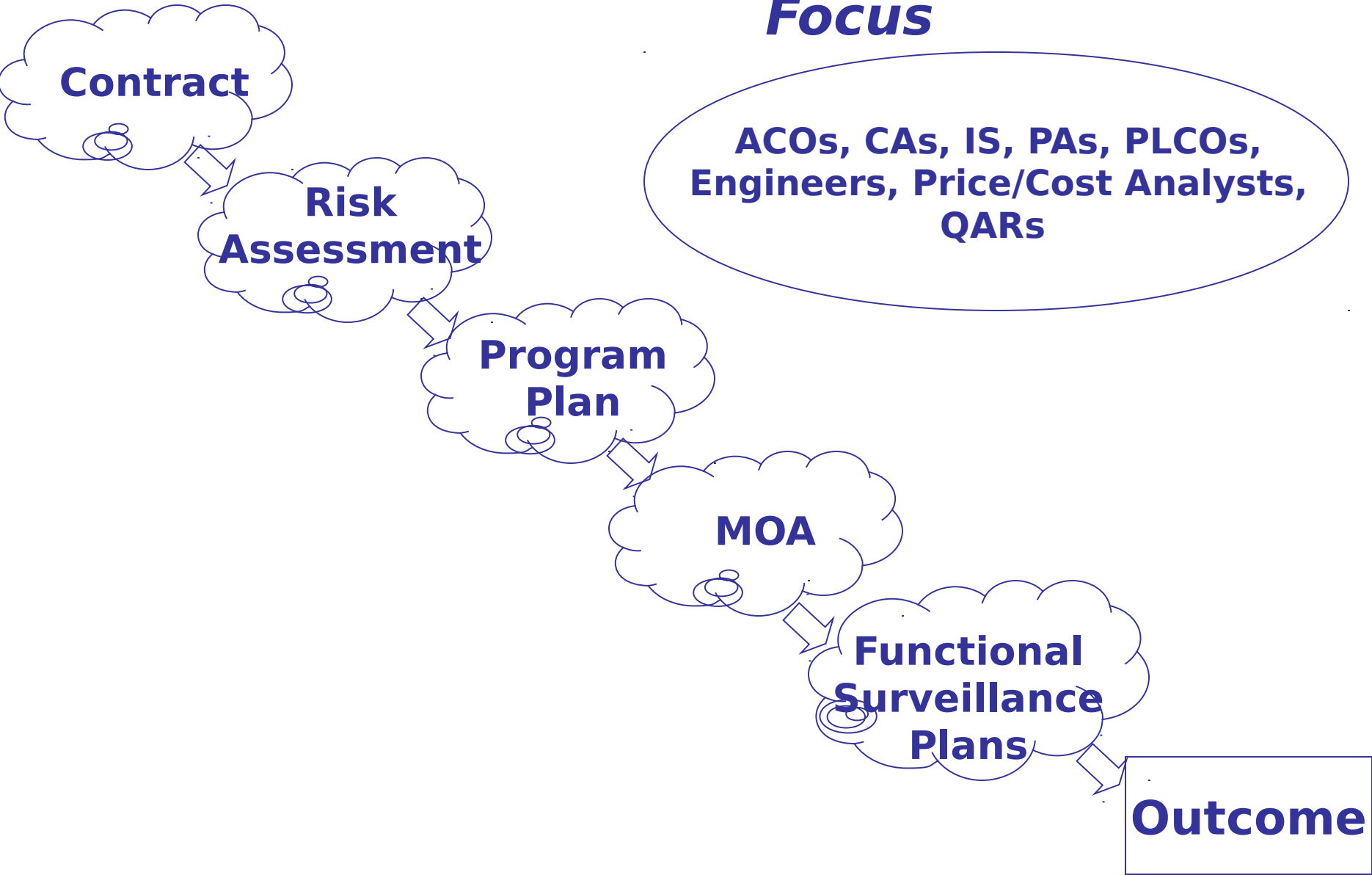
**Risk  
Assessment**

**Program  
Plan**

**MOA**

**Functional  
Surveillance  
Plans**

**Outcome**



➤ **Function:**

***Single, On-site POC for the PM!***

- **Program Support Team Leader**
  - **Negotiates up-front MOA with PM and ensures delivery of agreed upon level of DCMC support**

➤ **Expectation:**

***Timely insight, information, action, and recommendations to the PM to prevent or mitigate problems.***

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**Outcome Focus:**

**Understand & Articulate GPRA Approach to Programs**

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- **Program specific vice systemic problems**
- **Key interest areas:**
  - ✓ **Software Oversight**
  - ✓ **EVM Data Integrity & Currency**
  - ✓ **Cost Visitility**
  - e.g. **KTR Reorg's & Indirect Rate Increases**
  - ✓ **Subcontractor Performance & Oversight**

**RATES:**

- Boeing -**
- Raytheon Burlington -**
- Raytheon Tucson -**
- Bell Boeing -**

## DCMC INTERNAL PROGRAM STATUS CHART

<b>Block 1</b>			
<b>Program Name &amp; Description:</b>		<b>DCMC CAO:</b>	<b>Buying Command:</b>
<b>Contractor:</b>		<b>PI/Phone:</b>	<b>PEO:</b>
<b>ACAT Level:</b>		<b>Date Prepared:</b>	<b>PM:</b>

Block 2	KT1	KT2	KT3	Block 3 Process Surveillance Focus:
Adm Mgmt				
Fin Mgmt				
Legal				
Other				

Blk4	KT #	Name	KT Type	Ob Ant	U.O	Performance Period		ACQ Stage	FMS Data		
						Start	End		Date	CV%	SV
KT1											
KT2											
KT3											

<b>Block 5</b> Related Programs:  Major Subcontracts:	<b>Block 6</b> Future Milestones: <div>Date:</div>
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<b>Block 7 Note:</b> Address any Yellow & Red Element Ratings <u>Issues/Concerns:</u>	<u>Actions/Responsibility</u>	<u>Closure Date:</u>
For Official Use Only		

# **PI/PST Functional Maturity Model**

- ✓ **5 Levels of Support to Customer**
  - ✓ **Info**
    - ✓ **Actions**
      - ✓ **Recommendations**

**Communications  
&  
Responsibilities!**

# PI/PST Functional Maturity Model

## Key Process Areas:

1. Planning
2. Team Management
3. Team Integration
4. Communication
5. Execution

**Level  
2**

**PI Reports/SPI Links  
Quad Charts  
Customer Feedback Methods**

**Level  
3**

**Team acts in cocert  
Timely, Accurate Information  
Insightful Analysis  
Customer Feedback acted up**

# PI/PST Functional Maturity Model

## 5 Key Process Areas

### 5 Common Features for Each Key Process

- ✓ Commitment to Perform
- ✓ Ability to Perform
- ✓ Activities Performed
- ✓ Measurement & Analysis
- ✓ Verifying Implementation

Level:

1

2

3

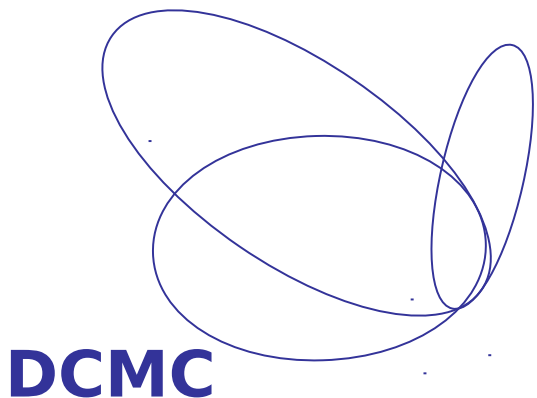
4

5

A self-assessment tool  
for  
PST & CMO

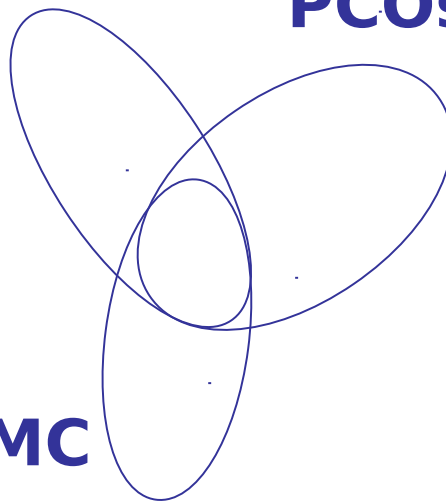
# COOPERATION

**PMs** **PCOs**



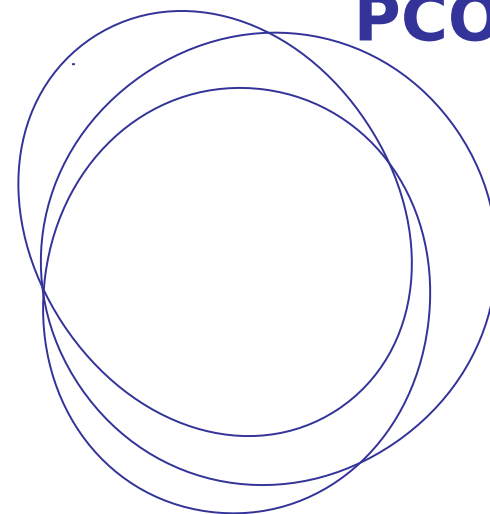
**YESTERDAY**

**PMs** **PCOs**



**TODAY**

**PMs** **PCOs**



**TOMORROW**

**COOPERATION MEANS COMMUNICATION!**



# Customer Service & Support

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**“I have the simplest of taste  
I’m easily satisfied with the  
best.”**

**Oscar Wilde**

## ***Laser Shock Peening Example***

➤ Company developed new hardening process

- at own risk (and expense)

- Price not based  
on cost of pr

- Buyer considered price

high, but

acceptable to Gov't

- given lower overall TOC for  
DCMA Pricing position based on estimated costs  
the treated items

